

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA	:	CRIMINAL NO.
v.	:	DATE FILED :
MICHELLE WALLS	:	VIOLATION :
	:	18 U.S.C. § 1341 (mail fraud - 1 count)

INDICTMENT

COUNT ONE

THE GRAND JURY CHARGES THAT:

At all times material to this indictment:

STUDENT LOAN AND GRANT PROGRAMS

1. The Department of Education (DOE) was a department of the United States government with responsibilities under federal law for the funding, administration and supervision of certain programs for the funding of loans and grants to students seeking post-secondary education. These programs included the Federal Family Education Loan Program (FFELP). Loans and grants in the FFELP included Stafford Unsubsidized Student Loans (SUSL) (loans which required students to repay interest accrued on the loans during the time they attended school), Stafford Subsidized Student Loans (SSSL) (loans which did not require students to repay interest accrued on loans during the time they attended school) and Pell grants (grants intended for the neediest students which did not have to be repaid).

2. Students applying for loans and grants administered by the DOE completed a Free Application for Federal Student Aid (FAFSA) application, in which they were required to submit personal and financial information, and in which they were also obligated to

use their correct name, date of birth and social security number.

3. Students completing a FAFSA application were required to certify that they had not been overpaid grant money, and that they were not in default on loans they had received from DOE programs. Applicants for student aid who received overpayments on grants, or who were in default on prior loans, were not eligible to receive new loans unless they made approved arrangements to correct the overpayment or default.

4. Completed FAFSA applications were reviewed by the DOE, which determined the amount of student aid for which the applicant was eligible. If the DOE determined that an applicant was entitled to a loan or grant, the DOE notified the educational institution the applicant had indicated on the application. The educational institution then notified the applicant that the loan or grant application was approved by the DOE.

THE FOOD STAMP PROGRAM

5. The Department of Agriculture (USDA) was a department of the United States government with responsibilities under federal law for the funding, administration and supervision of certain programs, including the food stamp program and the cash assistance program, which provided eligible children and families who met income requirements with subsidies for the purchase of food and other expenses.

6. In Pennsylvania, the food stamp and cash assistance programs were administered by the Pennsylvania Department of Public Welfare. Individuals seeking to participate in these programs were required to complete an application, in which they submitted information pertaining to family size and income, as well as identifying information, including name, date of birth and social security number. Applicants who were accepted into USDA

programs were provided with a card which permitted them to receive cash benefits and food subsidies through electronic withdrawals at authorized locations.

7. Applicants for USDA funded programs were required to state whether they had ever received benefits under another social security number or name. Individuals were not allowed to receive benefits from these programs under more than one social security number or name at the same time.

SOCIAL SECURITY NUMBERS USED BY DEFENDANT

8. At various times, defendant MICHELLE WALLS used the following social security numbers to apply for benefits from the DOE and the USDA:

- a. social security number ending in the numbers 2430, which defendant WALLS applied for on March 2, 1974, using date of birth xxx 3, 1958, and stating that her mother's name was A.F. Defendant WALLS applied for a replacement card for this number on January 22, 2004.
- b. social security number beginning with the numbers 171, which defendant WALLS applied for on August 1, 1995. In her application for this card, defendant WALLS claimed that her original card was lost, and stated that her date of birth was xxx 2, 1959, and that her mother was A.B. Defendant WALLS replaced this card on August 17, 1995, November 3, 1998, December 23, 1999, and January 10, 2000.
- c. social security number ending in the numbers 2438, which is one digit different than defendant WALLS' original social security number. This card was assigned to another individual whom defendant WALLS did not

know, and who did not give defendant WALLS permission to use her social security number.

THE SCHEME

9. From on or about January 4, 1997 through on or about January 10, 2005, defendant

MICHELLE WALLS

devised and intended to devise a scheme to defraud DOE and USDA, and to obtain money and property by means of false and fraudulent pretenses, representations and promises.

MANNER AND MEANS

It was part of the scheme that:

10. Defendant Michelle WALLS used social security numbers, which she had obtained by providing false information to the Social Security Administration, to apply for and obtain benefits from the DOE and the USDA, knowing that she was not entitled to those benefits.

FALSE APPLICATIONS FOR DEPARTMENT OF EDUCATION PROGRAMS

11. On or about the following dates, defendant Michelle WALLS, knowing that she was ineligible for student aid through DOE programs because she was in default on prior student loans, applied for student aid using a fraudulently obtained social security number beginning with the numbers 171:

Date of Application	Date of Birth Used	School	Date Loan Approved	Type/Amount of Loan or Grant
January 4, 1997	March 2, 1959	Delaware County Community College (DCCC)	none approved	

June 25, 1997	March 2, 1959	CHI Institute	none approved	
March 30, 1999	August 2, 1961	CHI Institute	none approved	
November 10, 1999	May 2, 1962	CHI Institute	June 14, 2000	SUSL for \$2,992 and SSSL for \$2,625 approved
August 14, 2000	March 3, 1959	CHI Institute	January 22, 2001	SSSL for \$875, SUSL for \$1,250 and Pell grant for \$2,838 approved
June 25, 2001	March 3, 1959	DCCC	October 1, 2001	SSSL for \$2,625 and Pell grant for \$3,282
February 12, 2002	March 3, 1959	DCCC	September 27, 2002 June 26, 2002	SSSL for \$2,500 approved Pell grant for \$3,846 approved
January 2, 2003	March 3, 1959	DCCC & Community College of Philadelphia	January 27, 2004	Pell grant for \$4,050 approved
January 1, 2004	March 3, 1959	Community College of Philadelphia	November, 2004	Pell grant for \$4,050 approved

12. In each of the applications described in Paragraph 11 of this count, defendant Michelle WALLS falsely certified that she was not in default on any prior student loans and that she had not received any overpayment of grants from any DOE student loan program.

FALSE APPLICATIONS FOR DEPARTMENT OF AGRICULTURE PROGRAMS

13 On or about the following dates, defendant Michelle WALLS, knowing that she was ineligible to receive aid through USDA programs under social security number beginning with numbers 171 because she was already receiving benefits through these programs under a social security number ending in numbers 2430, applied for and continued to obtain benefits by submitting applications to the Pennsylvania Department of Welfare, falsely certifying in each application that she had not previously applied for benefits under another social security number:

Date of Application	Dates Benefits Received	Type/Amount of Benefits
October 27, 1998	November 7, 1998 to April 29, 1999	\$791 food stamps/\$1,588 cash
May 11, 1999	May 14, 1999 to November 15, 1999	\$1,464 food stamps/\$2,054 cash
November 19, 1999	November 30, 1999 to February 14, 2000	\$702 food stamps/\$948 cash
July 26, 2000	February 29, 2000 to March 25, 2001	\$1,921 food stamps/\$3,570 cash

14. On or about June 24, 2004, in Philadelphia, in the Eastern District of Pennsylvania, defendant

MICHELLE WALLS,

for the purpose of executing the scheme described above, knowingly caused to be delivered by mail according to the directions thereon, a letter from Community College of Philadelphia, 1700 Spring Garden Street, Philadelphia, PA 19130 to Michelle Walls, 2118 N. 7th St., Philadelphia,

PA 19122, notifying defendant WALLS that she had been approved for student aid through a DOE program, when as defendant WALLS well knew, her loan was based upon an application which contained false and fraudulent information including a false social security number, date of birth and certification that she was not in default on prior loans.

In violation of Title 18, United States Code, Section 1341.

A TRUE BILL:

GRAND JURY FOREPERSON

**PATRICK L. MEEHAN
UNITED STATES ATTORNEY**